



# US ARMY NAF EMPLOYEE BENEFITS PROGRAM



ANNOUNCEMENT OF LIMITED

## OPEN SEASON 2002

October 21<sup>st</sup> thru November 15<sup>th</sup>, 2002

Dear Nonappropriated Fund Employee;

The U.S. Army Community and Family Support Center, NAF Employee Benefits Office, will be conducting a limited Open Season this year. You, as an eligible NAF Employee, will be able to make certain benefit program elections and make certain changes to programs in which you currently participate. Your options are:

### Health Benefit Plan

If you are currently participating in one of our Health Benefit Plans, either the DOD NAF Employee Health Benefit Plan (DODHBP) (often referred to as Aetna) or one of our Health Maintenance Organizations (HMOs), you will be allowed to change plans. You may change from the DODHBP to an HMO, from an HMO to the DODHBP, or from one HMO to another. The DODHBP is available in all locations. HMOs are available in the following locations:

Carlisle Barracks, PA  
Fort Buchanan  
Fort Dix, NJ  
Fort Hamilton, NY  
Fort Hood, TX  
Fort Indiantown Gap, PA  
Fort Monmouth, NJ  
Fort Monroe & Fort Eustis  
Hawaii  
Hawaii  
National Capitol Region  
National Capitol Region

Keystone Health Plan  
Triple S  
Aetna US Healthcare HMO  
Aetna US Healthcare HMO  
Scott & White Health Plan  
Keystone Health Plan  
Aetna US Healthcare HMO  
Optima Health Plan  
Hawaii Medical Service Association (HMSA)  
Kaiser Permanente  
Aetna US Healthcare HMO Plan  
Kaiser Permanente Health Plan

### Limitations:

Because this is a limited Open Season, you will not be able to make some changes to your Health Benefit Plan coverage: you will not be able to obtain coverage if you are not now enrolled in either the DODHBP or an HMO; you will not be able to change from single to family coverage; and you will not be able to change from "without dental" to "with dental" coverage. You will, however, be allowed to enroll in the DODHBP or an HMO in your area during the Open Season scheduled for the fall of 2003.

### For Additional Information:

DODHBP Plan Information Packets for 2003 have been shipped to your local civilian personnel office. If you are currently enrolled in the DODHBP (Aetna) or are participating in an HMO and considering changing to the DODHBP, please stop by your servicing personnel office and request a Plan Information Packet for 2003. There are several changes to the plan for 2003 that will provide greater flexibility when seeking health care, expand network coverage to new areas, and increase the annual maximum for dental benefits. To obtain your packet or additional information concerning the Health Benefit Plans available in your area, please contact your local servicing NAF Personnel Office. For information about the DOD Health Benefit Plan or premium rates for any of the plans, please consult our web site, [www.NAFBENEFITS.com](http://www.NAFBENEFITS.com).

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## Pre-Tax Health Premium Deductions:

The Internal Revenue Code Section 125 Pre-Tax Health Premium Program will continue in effect in 2003. This program allows you to pay your employee share of the Health Benefit Plan premium with pre-tax dollars, thus reducing your taxable income and increasing your take-home pay. This benefit will automatically continue in effect for 2003, unless you opt out of this program during this Open Season. Because the Internal Revenue Code does not allow canceling your plan participation during the Plan year, January 1 thru December 31, 2003, you will have the option of declining participation in the program and paying your Health Benefit Plan premiums with after-tax dollars during this limited open season. If you previously opted out of the Pre-Tax Premium Program and would like to continue to pay your premiums with after tax dollars, you need do nothing and your opt out election will carry over through 2003.

## How to Decline Participation in the Pre-Tax Health Premium Program:

If you would like to decline participation in the Pre-Tax Health Premium Program, please contact your local servicing Civilian Personnel Office for assistance.

## Life Insurance Plan

You may enroll in the Life Insurance and Accidental Death and Dismemberment Plan, without evidence of insurability. There are a number of coverages available, including basic and optional insurance.

### Basic Life Insurance:

The Basic Life Insurance Plan gives you life insurance protection, accidental death and dismemberment coverage, and dependent life insurance coverage. You may choose one or two times your basic salary, rounded to the next higher \$1000, not to exceed \$250,000. The bi-weekly cost to the employee is 14 cents per thousand dollars of coverage. The policy pays the face amount in the event of your death. The accidental death and dismemberment benefit is the same as your basic coverage. This coverage pays benefits to your beneficiary in the event of your accidental death, or to you if you lose sight or a limb as a result of an accident. Dependent life insurance is included at no additional cost. The dependent coverage is \$5000 for your spouse and \$2500 for each eligible dependent child.

### Optional Life Insurance:

If you have elected Basic Life Insurance, you may also purchase Optional Life Insurance in increments of \$10,000. You may choose an Optional Life Insurance amount up to two times the amount of your Basic Life Insurance coverage, not to exceed \$500,000. (*Evidence of insurability is required if you choose to purchase more than \$250,000 of Optional Life Insurance coverage*). The bi-weekly cost of Optional Life Insurance is based on your age and the amount of coverage you choose. Rates are available on the web site at [www.NAFBENEFITS.com](http://www.NAFBENEFITS.com).

## Optional Dependent Life Insurance:

During this Limited Open Season, you may elect additional *Optional Dependent Life Insurance* coverage. Currently, if you have elected Basic Life Insurance, you automatically receive Dependent Life Insurance coverage, free of charge. Your spouse is covered for \$5000 and each of your eligible dependent children are covered for \$2500. You may also elect additional coverage for your spouse and children in increments of \$5000/\$2500 at a modest bi-weekly cost, up to a maximum of \$25,000 for your spouse and \$12,500 for your eligible dependent children. You must be enrolled in the Basic Life Insurance Plan to elect additional Optional Dependent Life Insurance coverage. If you enroll in the Basic Life Insurance Plan, the Optional Life Insurance, or the Optional Dependent Life Insurance Plans, your election will be effective January 1<sup>st</sup>, 2003, provided you are actively at work on or after January 1<sup>st</sup>, 2003. Optional dependent insurance rates are also listed on the Benefits web site.

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### For Additional Information:

For additional information concerning the Group Life Insurance Plan, please contact your local servicing NAF Personnel Office or consult our web site, [www.NAFBENEFITS.com](http://www.NAFBENEFITS.com).

### How to Enroll in the Life Insurance Plan:

If you would like to enroll in the Group Life Insurance Plan or make changes to your current Life Insurance Plan election, please contact your local servicing Civilian Personnel Office for assistance.

### 401(k) Plan Changes for 2003:

In accordance with the Economic Growth and Tax Relief Reconciliation Act, the maximum annual deferral for your 401(k) Savings Plan will be \$12,000 for calendar year 2003, an increase from the \$11,000 limit in 2002. Over age 50 plan participants may defer an additional \$2000 for a total of \$14,000. There is no percentage of salary limitation. Plan participants may change their deferral percentage at any time by contacting their servicing personnel office.

### New Group Long Term Care Plan:

We are pleased to announce the latest addition to your NAF personnel benefit package, the new Army NAF Employee Group Long Term Care (LTC) Plan. This much requested program is designed to meet the need for long term care, which chances are, you will need some time during your life. The LTC Plan, offered by CNA, offers a wide range of features and benefit options at reasonable group rates. And the plan is guaranteed issue for actively at work employees. That means that as an actively at work NAF employee, you cannot be turned down for coverage during the Open Enrollment Period, and your rates do not increase as you grow older. Your spouse, parents, grandparents, and in-laws are also eligible to participate. You can apply for the LTC Plan during a special Open Enrollment Period from October 1<sup>st</sup> thru December 15<sup>th</sup> 2002. Watch your mail for additional information and sign on to the customized web site for additional details and a rate calculator. This site can be accessed by clicking on the Long Term Care banner on the Benefits web site at [www.NAFBENEFITS.com](http://www.NAFBENEFITS.com). The NAF Benefits web site also has a special LTC section, where you can download the LTC Plan booklet, which contains all the plan benefits, features, and rates. Enrollment briefings are scheduled for most installations. Watch for local announcements, or check with your servicing personnel office for dates, times and locations.

### Reminder – Please Keep Your Benefit Records Current:

Open Season is a good time to make sure your Benefit Records are accurate and in order. Your servicing personnel office now has a new on-line system they can use to review and update your benefit records. It is especially important that you maintain a correct address in your record. If your address is not accurate, you may be missing out on a lot of good information about your benefits. Of even greater importance is the accuracy of your beneficiary designations. Please make sure you have designated the beneficiaries you want to receive benefits should something happen to you. Your servicing personnel office can go on-line, display the benefit elections and information that are in the system, and update your information on the spot.

### Effective Dates of Open Season Changes:

All Open Season changes to your life and health insurance will be effective January 1<sup>st</sup>, 2003, provided you are actively at work. The effective date of your LTC enrollment will be the first day of the month following acceptance of your application by the carrier, CNA. In most cases, this will be either January 1<sup>st</sup> or February 1<sup>st</sup>, 2003. Changes to your 401(k) plan election will be effective the first full pay period after receipt by Payroll.

**FOR MORE INFORMATION ON ALL YOUR BENEFIT PROGRAMS, PLEASE CONSULT THE WEB SITE [WWW.NAFBENEFITS.COM](http://WWW.NAFBENEFITS.COM) OR CALL OUR TOLL FREE NUMBER (877) 384-2340**